

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6550

BILL NUMBER: HB 1597

NOTE PREPARED: Feb 11, 2005

BILL AMENDED: Feb 10, 2005

SUBJECT: Police Officer Salary Matrix.

FIRST AUTHOR: Rep. Ruppel

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation:(Amended) This bill requires that State Fire Marshal investigators, criminal investigators from the Department of Revenue, officers from the government facilities unit of the State Police, motor carrier inspectors, and officers from the Indiana War Memorials Commission are covered by the same salary matrix as State Police, based on years of service and rank. The bill delays implementation of the salary matrices until July 1, 2007.

Effective Date: July 1, 2005.

Explanation of State Expenditures: (Revised) *Summary*. The overall fiscal impact is the following.

Estimated Salary Increase by Department	FY 2008	FY 2009	Funding
Criminal Investigators from the Department of Revenue	\$45,173	\$46,077	General
Motor Carrier Inspectors of the State Police	\$1,339,076	\$1,365,857	Dedicated
Officers from the Indiana War Memorials Commission	\$156,949	\$160,088	General
State Capitol Police	\$613,118	\$625,380	General/Dedicated*
Arson Investigators	\$130,055	\$132,656	Dedicated
Total	\$2,284,371	\$2,330,058	
*47% General Fund, 47% Motor Vehicle Highway, 6% Motor Carrier Fund			

The funds and resources required above could be supplied through a variety of sources, including the following: (1) existing staff and resources not currently being used to capacity; (2) existing staff and resources currently being used in another program; (3) authorized, but vacant, staff positions, including those positions that would need to be reclassified; (4) funds that, otherwise, would be reverted; or (5) new appropriations. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions.

There are no appropriations in the bill.

Additional Details.

Criminal Investigators from the Department of Revenue (DOR). Based on the January 2005 state personnel staffing report, there were 20 criminal investigators within the DOR. In order to bring these employees' salaries up to the state police matrix given their years of service, total compensation would increase by an estimated **\$45,173 for FY 2008 and \$46,077 for FY 2009**. This total includes increased costs for salary-based fringe benefits, such as life and disability insurance, PERF, and Social Security.

Motor Carrier Inspectors. Based on the January 2005 state personnel staffing report, the Motor Carrier Enforcement Section of the State Police Department had 74 inspectors whose salaries were below the salary indicated on the state police 2005 salary matrix, given the employees' years of service. In order to bring these employees' salaries up to the state police matrix given their years of service, total compensation would increase by an estimated **\$1,339,076 for FY 2008 and \$1,365,857 for FY 2009**. This total includes increased costs for salary-based fringe benefits, such as life and disability insurance, PERF, and Social Security.

Officers from the Indiana War Memorials Commission. Based on the January 2005 state personnel staffing report, the War Memorials Commission maintained a staff of 7 security officers whose salaries were below the salary indicated on the state police 2005 salary matrix, given the employees' years of service. In order to bring these employees' salaries up to the state police matrix given their years of service, total compensation would increase by an estimated **\$156,949 for FY 2008 and \$160,088 for FY 2009**. This total includes increased costs for salary-based fringe benefits, such as life and disability insurance, PERF, and Social Security.

State Capitol Police. The bill provides that the special police employees of the ISP assigned to the security

activities for the State Capitol and the state office building complex must be paid under the salary matrix for State Police officers. As of January 2005, 40 special police employees were assigned to security at the state office building complex and the Capitol. Assuming that these employees began in January and applying their original year of hire, the increase in salaries that would be needed to place them on the State Police salary matrix would equal an estimated \$499,796 for FY 2006. Adding benefits, the total increase in expenditures for the first year would equal \$589,309. Applying a 2% annual increase to both the salaries and benefits, costs for **FY 2008 are estimated at \$613,118 and costs for FY 2009 are estimated at \$625,380**. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend on legislative and administrative actions.

Arson Investigators. As of June 2, 2004, the Investigations Division of the State Fire Marshal's Office maintained a staff of ten arson investigators. In order to bring these employees' salaries up to the state police matrix given their years of service, total compensation would increase by an estimated **\$130,055 for FY 2008 and about \$132,656 for FY 2009**. This total includes increased costs for salary-based fringe benefits, such as life and disability insurance, PERF, and Social Security. The State Fire Marshal's Office is funded from revenues generated by fire insurance premiums, plan examinations, state seals for manufactured housing, entertainment permits, explosive magazine fees, fireworks-wholesalers, stands and displays, day care ministries, elevator and lifting device inspections, boiler and pressure vessel inspections, amusement ride inspections, underground storage tanks, and federal funds.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: State Fire Marshal's Office; Department of Revenue; State Police; Indiana War Memorials Commission.

Local Agencies Affected:

Information Sources: Jim Skaggs, State Fire Marshal's Office, Investigation Division, 232-6435; 2004 State Police Salary Matrix and the 2004 State Personnel Staffing Report; William Sweeney, Indiana War Memorials Commission, 232-7616; Ron Sobecki, State Budget Agency.

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